

AOC

ALBERTA
OPPORTUNITY
COMPANY

TODAY

MAY 1992

Cheers to
20 Years!

We've got something to celebrate! Twenty years ago, the Alberta Opportunity Fund Act was established, giving hundreds of entrepreneurs across the province a chance to realize their dreams by providing them with an alternate source of financing for small business.

Over the years, we have continued to focus on meeting the needs of our province's dynamic business community. And we recognize that whether it's AOC meeting your needs or you meeting your customers' needs, we all have one thing in common — service. In appreciation of this, we have devoted this issue of AOC Today specifically to service, one of today's hottest topics and something that will make the difference in business tomorrow. Cheers!

"We're always in a changing market and we have to keep abreast of it."

Restaurateur Dishing Up Service and Profits

CANADIANA

JAN - 5 1993

To Roy Smith, operating a restaurant isn't simply a matter of serving food — it's customer satisfaction that's at the top of his menu.

"One of the things that we do, is if you're not satisfied with your meals, you don't pay," says the owner of the Garden Cafe in Fort McMurray.

"This tells us if we're not serving a good product, and we can make changes immediately."

It's having the freedom to establish practices such as this which prompted Smith to take advantage of his more than two decades of restaurant experience and purchase his own business five years ago.

"I've been able to implement all of those things I couldn't institute before," he explains, noting in past management jobs he had little control over policies and financial matters.

Despite Smith's aptitude for the restaurant business, when it came to purchasing his own operation, banks were not interested.

"I approached commercial lenders and they were willing to lend me money to buy a Cadillac but wouldn't finance a restaurant. They didn't look at the situation, it didn't matter. Their policy was that they do not lend money to restaurants," says Smith, who turned to AOC for help.

"Alberta Opportunity Company had a little more empathy or understanding as to what it was I was trying to advocate, what this business was going to do and its potential."

Once Smith had the go-ahead, he took full charge of his new venture.

"I changed the menu and put more



The Garden Cafe's Roy Smith

emphasis towards people. I allowed for more involvement from my key people by looking for feedback and follow-through and letting them really be able to perform," he says, referring to his operating style as "hands-on management."

"We're always in a changing market and we have to keep abreast of it. We have well-qualified staff and we involve ourselves in learning and upgrading."

Smith's commitment to his 50 or so employees is also relayed to his customers. His 110-seat family restaurant offers 165 food items, 24 hours a day to meet the demands of the hundreds of shiftworkers in the community.

Since 1987, the Garden Cafe's profits have increased about 15 per cent annually. The Alberta Winter Games, recently staged in Fort McMurray, helped underscore Smith's achievements as a business owner.

"We had compliments from people across the province. They commended us on our service and food which was very gratifying because it helps to get a fresh perspective."

Enterprising Innkeepers Capitalizing on Country Charm

Rest, relaxation and a touch of charm are the ingredients behind a Brooks area country inn which has attracted the attention of travelers from Bassano to Britain.

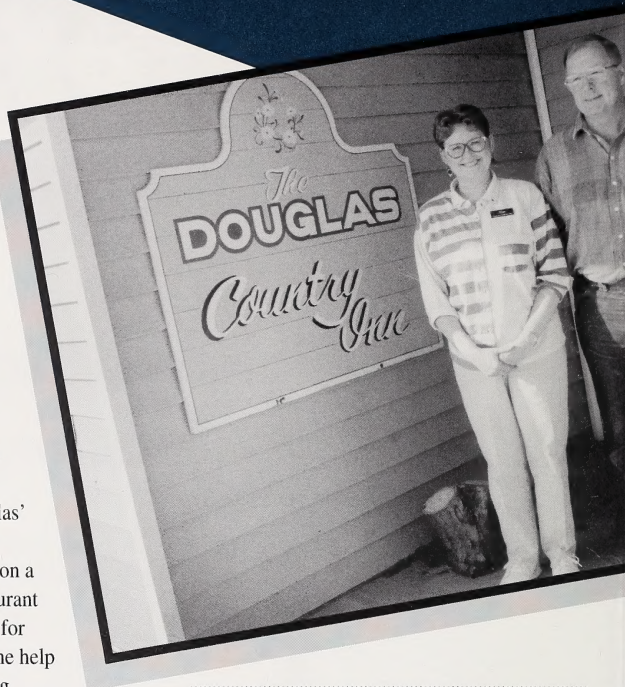
Since 1987, Ilene and Doral Douglas have been welcoming guests to their quaint property, giving them a taste of the country with a cosmopolitan flavor. The enterprising couple decided to capitalize on the peacefulness of their 900-acre farm after visiting several rural lodges south of the border. The end result — the Douglas Country Inn.

"When we first opened, we had four bedrooms and a small dining room. We hadn't anticipated being a licensed dining room, but

thought we'd just do the odd dinner," says Ilene.

But three months after the inn opened, the eating area became so popular, the Douglases acquired a liquor license and began serving evening meals on a regular basis. The busy restaurant left little indoor leisure space for guests and in 1990, through the help of AOC financing, a new wing featuring three bedrooms and a sitting room was added to the structure.

"We've been building up over the last 4 1/2 years to a fairly steady clientele. Our restaur-



Doral and Ilene Douglas of the Douglas Country Inn

It Doesn't Hurt To Serve With a Smile

Robert Fulford
Financial Times Columnist

A friend of mine, who sometimes visits Japan for periods of several months, once remarked to me that each time he returns home to Canada he finds the first week uncomfortable.

"It takes me that long," he said, "to get used to the normal, everyday rudeness you encounter in Canada just dealing with people in stores and restaurants."

We were in a Kyoto noodle shop at the time, enjoying superb service; in Japan it's hard to get any other kind. But I thought my friend was overstating the case against Canada.

Then, a few weeks later, arriving home through the Vancouver airport, I stopped at a bank count-

er to change Japanese money for Canadian. The clerk was talking on the phone when I approached. He continued his conversation as he counted my yen, punched the numbers into his calculator, and put some Canadian bills into a little plastic dish. He never looked up, spoke, or otherwise acknowledged that a human was standing in front of him. He still doesn't know whether I was Mick Jagger, Dustin Hoffman, or Prince Sihanouk.

It occurred to me, as I walked away, that in Japan a clerk would kill himself before showing such indifference to a customer. The conversation in Kyoto kept replaying itself in my mind during the next week or so. When I got into a cab in Toronto, for instan-

ce, I thought of the Tokyo taxi drivers, who comport themselves with the dignity of professionals and treat their passengers the same way. (You would no more tip them than tip your cardiologist.)

For years we have all been reading of the increasing economic importance of the service sector. More recently it has been commonplace to hear of distress in Canadian tourism, owing to the high dollar and the GST. It would be natural then, to expect that for these reasons everyday service would have improved in recent years. If it has, I haven't noticed; nor have I heard anyone

outside the service industries describe a startling improvement. It is far commoner to hear someone speak of dealing with a clerk or waiter who, while perhaps not opposed to making a sale, showed no interest in the business at hand.

Japan provides the most striking contrast. Sometimes salespeople in Japanese stores or restaurants express astonishment and profound gratitude at a customer's mere appearance on the premises. If the Japanese occasionally go too far, they go in the right direction.

In Canada we have the contrary view that good service is somehow

"When a customer shows up, stop dusting. And give someone a genuine smile."

Personal Approach Key to Meeting Clients' Needs

ant business is mostly local but we're starting to draw from Lethbridge, Medicine Hat and Calgary," notes Ilene.

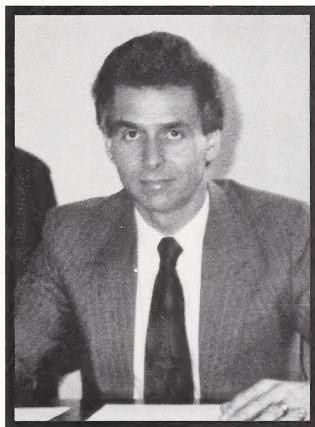
"On the weekend we get people who just want to get away. There's a fairly strong wedding night business and a lot of hunters in the fall. Our room trade has grown steadily every month — there's only one month where we've been slower."

Ilene attributes the inn's success to the emphasis placed on customer service. Complimentary decanters of sherry grace all guest rooms and visitors are treated to a huge country breakfast as part of their overnight package.

"We're here to cater to our customers. I always think about what I don't like when I stay somewhere or dine out and make every effort to avoid those mistakes. We just want people to feel relaxed."

If you wander into AOC's St. Paul branch office, chances are manager Armand Tessier won't be there — he's out meeting entrepreneurs who may be in the market for financing.

"We just don't sit around and wait for business. We get out and try to find clients who need our help," explains Tessier, who's been at the helm of the northeastern Alberta branch for almost 15 years.



AOC's Armand Tessier

Since returning to his home town after spending eight years in Edmonton's commercial banking sector, Tessier has made an effort to win over potential and existing clients.

"My goal in St. Paul has always been to make sure AOC is well known in the area," he says, noting entrepreneurs don't often know where to turn when they need financing.

In addition to talking to up-and-coming business operators, Tessier has addressed local organizations and high school groups as a means of increasing awareness of AOC.

"We also keep very close contact with our clients. We visit them about once per month, which is a lot when you consider how many we have. Our clients respect us and have a lot of faith in us. They often ask us for advice which shows they have confidence in us," he adds.

Tessier's conviction to customer service is not limited to regular working hours. He often receives phone calls at home and has been known to meet with clients on weekends when it's more convenient.

"The personal approach is what people like to see. If you're just going to sit around and fill in the blank spaces on a form, people know that and word gets around."

How Good is Your Service?

Do you go out of your way to help your customers? Is there anything out of the ordinary your business does to win over patrons?

AOC Today is searching for excellence, and we invite you to tell us about any special approaches your business might have when it comes to providing service. We'll be publishing the best tips we receive in a future issue of AOC Today.

This is your opportunity to shine, so take advantage . . . and show us what gives you the edge!

to gardening) than in any other.

We can hardly dream of approaching the quality of Japanese service; for Canadians that's at best a distant ideal. But we should be able to move closer to the level of the Americans. After four decades of frequently visiting the United States, I still find it astonishing to reflect that routine American service (outside New York, a special case) is better than routine Canadian service. A restaurant in, say, the vacation area of Michigan will almost always provide better service than the equivalent restaurant in Ontario.

The question of service has arisen recently at Hazelton Lanes, a Toronto shopping centre that specializes in selling things nobody needs at prices

nobody wants to pay. Its first decade was not a success; then the owners made the hideous mistake of hugely expanding it, just before the recession hit. The new strategy there includes retraining in customer relations. A consultant, quoted in a recent newspaper piece, has been telling shopkeepers and clerks to avoid snobbishness, find out what customers actually want, respect their view that some products are too expensive, and even try to find something they can afford. And, the consultant tells shopkeepers, when a customer shows up, "stop dusting. And give someone a genuine smile." The sad truth seems to be that high-class Canadian retailers need to hire someone just to remind them that ordinary courtesy is a good idea.





Call us . . .

AOOC Today was created to meet your information needs. If there's a business issue you want to see addressed, facts you need to know or a story you'd like us to share, call us! We've got an edition of 'The Best of Alberta' for the best suggestion we receive.

We also want to help you in your entrepreneurial endeavours. If you're looking for business partners, seeking an investment opportunity or trying to sell your own operation, call us! We'll make an effort to pass your needs onto our readership.

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A Winner!



AOC's Regional Programs Coordinator Colleen Lyons recently presented Wayne Lillihai of Brooks with an edition of 'The Best of Alberta'. Wayne was one of two lucky prize-winners at a local Enterprise Seminar, sponsored by AOC.

Letters . . .

Thank you for the AOC Today newsletter. It's good to read about other Alberta ventures.

My one comment is that I would rather see the newsletter printed on non-shiny paper that is more easily recycled.

Amber Haywood
Black Cat Guest Ranch, Hinton

Editor's note: Although we have not used a logo indicating so, AOC Today is printed on recycled paper.

ADS

Businesses for Sale

Calgary-based commercial and industrial insulation contracting business specializing in sprayed foam and fibres. Total package includes all fixed assets and proprietary marketing and customer information.

This business annually generates \$100,000-\$150,000 in revenue, contribution or "site" margins of 35-40%, and net income margins of 10-15%. For more information, write: 3616-14A Street S.E. Calgary, Alberta, T2G 3L2. Phone 265-1700

Unique residential insulation building product business including rights, patents, fixed assets and proprietary marketing and customer information. This polyurethane foam product was developed and marketed briefly in the mid-1980s prior to the residential building slowdown in Western Canada.

For more information, write: 3616-14A Street S.E. Calgary, Alberta, T2G 3L2. Phone 265-1700

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Investment Opportunity

Successful Calgary asbestos abatement company seeks an investor who could contribute cash and field administration responsibilities, assisting the company in meeting its growth targets for Western Canada.

This business annually generates about \$1 million revenue, contribution or "site" margins of 35-40%, and net income margins of 10-15%. For more information, write: 3616-14A Street S.E. Calgary, Alberta, T2G 3L2. Phone 265-1700

What's New?

Does your firm have an exciting new product or service?

AOC Today wants to know. And so do our readers. Beginning soon, we will feature a new section called Innovations, highlighting unique Alberta companies.

To participate, send us a brief description of your business and what's new.